

By Richard E. Cohen, National Journal

*House Democrats are revving up incremental energy-efficiency proposals in case a big climate-change bill sputters in the Senate*

If at first you don't succeed on major legislation, downsize. That appears to be the approach that House Democrats are taking after pushing an economy-wide cap-and-trade program through their chamber last June, only to see the Senate still struggling to agree on its plan for curbing greenhouse gases.

House Democrats have started to move smaller energy proposals in case a long-sought Senate breakthrough never materializes. In the process, they hope to bolster the still-ailing economy and show more legislative progress to a hostile public.

One such initiative, known as the "Home Star" bill, won approval in the House Energy and Commerce Committee on April 15. The two-year, \$6 billion plan would provide tax rebates to consumers for installing such energy-efficient home improvements as upgraded insulation, storm windows, and air conditioning systems. Some have dubbed the legislation "cash for caulkers." Besides reducing air pollution, it could create as many as 168,000 jobs and save homeowners \$9.2 billion in energy costs, proponents contend.

In fact, as House Democrats circle back to energy issues, the chamber is experiencing a legislative version of Groundhog Day, but without the sweeping, high-stakes reshaping of national policy -- and without the intense 11th-hour struggle for floor votes. Many of last year's hostilities have significantly waned, as well, and Democratic sponsors this time around are emphasizing a bipartisan approach.

"It's important to find Republicans whenever we can. That's the way that the system should work," said Rep. Edward Markey, D-Mass., who was a chief proponent of the contentious cap-and-trade bill that the House narrowly passed last June. In the wake of the highly partisan debate on health care reform, he noted, energy issues can be less ideological because they often have a regional focus.

Rep. Peter Welch, D-Vt., a skillful second-term member who is the chief sponsor of the Home Star measure, acknowledged in an interview that Washington's preoccupation with health reform over the past year "took a lot of oxygen" from energy legislation. "But many of us are pushing for job creation, and [Home Star] is ready to go," Welch added. Like other leading Democratic environmentalists, he maintains that the new plan is "complementary," not an alternative, to a broader climate-change bill.

Rep. Vernon Ehlers, R-Mich., who has co-chaired the House's Renewable Energy Caucus, said he was willing to cross the aisle to co-sponsor the proposal. "As a physicist, I understand heat," explained Ehlers, who is retiring this year after serving eight terms. "I am overwhelmed by the gratitude from Democrats."

So far, however, the sponsors have had only limited success in building bipartisanship. When the Energy and Commerce Committee approved the Home Star bill by a 30-17 vote, only two Republicans -- Reps. Tim Murphy of Pennsylvania and Ed Whitfield of Kentucky -- supported the measure. During staff negotiations, Republicans won modest changes, including a cap on spending and a two-year sunset of the program, which the Energy Department would administer. The committee rejected several GOP amendments at the markup, among them a lower spending cap and modifications of the rebate mechanism.

Rep. Joe Barton, R-Texas, the panel's ranking member, conceded that he had weighed supporting the legislation but said he backed away, at least for now, because it would add to the huge federal deficit. "It's a touchy-feely bill with some good ideas," Barton said. "Democrats may believe that it's good public policy. But, more cynically, it's part of their jobs package, and it's designed to take public attention from the health care fiasco."

A spokesman for House Minority Leader John Boehner, R-Ohio, warned that the new proposal won't give Democrats political cover or "take the edge off" their handling of health care reform. Democrats are "desperate for bite-sized consumer-focused legislation" to fill the House's increasingly bare legislative calendar, he said. Rep. Pete Sessions, R-Texas, who chairs the National Republican Congressional Committee, warned that GOP candidates will campaign this year against a "Do-Nothing" Congress and the Democrats' "failure to tell us where they are heading" on fiscal policy.

But those attacks have not deterred Welch. He initially crafted the core coverage and performance standards for the energy-efficiency section that he spearheaded in last year's

cap-and-trade bill. Those efficiency provisions, which were based partly on similar programs in Vermont, achieved as much as one-third of the bill's reduction in greenhouse gases.

In recent months, Welch has creatively repackaged Home Star as a separate plan and touted its stimulative impact as "a big bang for the buck." He built a broad-based coalition that includes a cadre of home contractors and suppliers, an important business force in every congressional district. Democratic think tanks such as the Center for American Progress and Third Way also back the proposal as a stimulus to the battered residential construction business.

President Obama embraced the effort during a pre-Christmas speech at a Home Depot in Alexandria, Va., proclaiming, "Insulation is sexy stuff." Welch said that he collaborated with senior White House officials, including Chief of Staff Rahm Emanuel and Legislative Affairs Director Phil Schilliro.

On April 14, the bill's sponsors held a Capitol Hill news conference with business supporters that featured fiberglass products and caulking tools. "No economic sector has been more devastated than construction," said Rep. Dennis Cardoza, D-Calif., a co-sponsor. "I am very excited about any government program that will give them an assist." His Central Valley district has been racked by unemployment exceeding 20 percent and a home foreclosure rate of 30 percent.

Although the measure's plan for consumer rebates is voluntary and targeted toward the middle class, Republicans have criticized some Democratic efforts to encourage home insulation. During last year's climate-change debate, Boehner blasted the proposed building standards for new homes. "You have to have a review, bring people in, have them check out your windows, your appliances, your hot-water heater, your door, make sure that your house is energy-efficient. And guess what if it isn't? You have got to bring it up to standards before you can sell it. Now what kind of bizarre notion is that?" he said in his hour-long floor critique of the bill before the final vote.

In addition, critics have said that a state grant program in the 2009 stimulus bill to encourage weatherization programs for low-income residents has suffered from poor administration and outreach. The government has spent only 10 percent of the program's \$5 billion, said Rep. Fred Upton, R-Mich. A Democratic proponent responded, "Those are political criticisms of a different program. Home Star would operate differently."

Welch and Markey predict that the House will vote on the Home Star bill before the Memorial Day recess. Action has been stalled, at least temporarily, by the need to find revenue to offset the \$3 billion annual cost under the recently enacted "pay-as-you-go" law. Welch has proposed taking unallocated funds from last year's \$787 billion stimulus package. Or Democrats might combine the Home Star plan with other jobs legislation, which could include tax hikes.

The Energy and Commerce Committee's approval of the proposal raises the possibility that the panel may move additional small-scale energy legislation, including other pieces carved from the broader climate-change bill. Chairman Henry Waxman, D-Calif., who took the lead with Markey on the cap-and-trade bill, still hopes to complete comprehensive legislation. The prospect that Republicans might win House control in the November election, however, could increase pressure on Democrats to approve more-limited measures, perhaps in a lame-duck session.

On the same day the committee passed the Home Star bill, it unanimously approved another measure to protect the nation's electric grid from various threats, including terrorism. Waxman and others touted the action to protect "national security," with the cooperation of the Obama administration.

Although partisan warfare has generally been escalating in the House as the campaign season approaches, Barton did not rule out additional cooperation at Energy and Commerce. "I tell people that my middle name is 'Bipartisan,' " he said. "We all want to solve problems, if Democrats want to meet us halfway. They weren't reasonable on health reform, or cap-and-trade. Maybe they are starting to get the message from the public." Barton added that he been having a "dialogue back and forth" with GOP leaders, who have "a big-picture view, while I have the smaller picture" at the committee.

Welch echoed the need for bipartisanship, especially amid the lingering ill will of health reform. "A great nation needs to face its problems. We are much better off working together," he said. "Congress is in low regard because of ugly and divided debate."